

**Testimony of**  
**UIL HOLDINGS CORPORATION**  
**Before the Energy and Technology Committee**  
**On Section 5**  
**of**  
**RAISED BILL 1079 - AN ACT CONCERNING OPERATIONS OF PUBLIC SERVICE COMPANIES**

Good afternoon, Senator Fonfara, Representative Nardello and members of the Energy & Technology Committee. My name is James McNally and I am Director of Customer Services at The Southern Connecticut Gas Company and Connecticut Natural Gas Corporation (SCG/CNG). SCG and CNG and The United Illuminating Company (UI) are operating companies of UIL Holding Corporation (UIL).

On behalf of UIL, I'm here today to support Section 5 of Raised Bill 1079, AN ACT CONCERNING OPERATIONS OF PUBLIC SERVICE COMPANIES, which would enable nursing and convalescent homes to be subject to rent receiverships. Currently Connecticut General Statutes Section 16-262f permits public utility companies to obtain a statutory rent receivership in those cases where they are prohibited from terminating utility service under Connecticut General Statutes Section 16-262e(a). Those cases are for customers with delinquent accounts where the utility service is provided to a building owned by the utility's customer, and the utility service is used by occupants or residents of the building who cannot receive service in their own name for reasons of practicality, such as where one meter serves numerous households or residents such as those in nursing or convalescent homes. While utility companies are not statutorily prohibited from terminating utility service to these facilities, we are concerned about the impact of taking that action because of the disruption that such action could cause to the

health-related services being provided at these facilities and the vulnerable nature of the residents living in these facilities.

This creates an untenable situation for the utilities from a collections standpoint, and causes higher rates to our customers. The impracticality of terminating utility service to nursing and convalescent homes has resulted in situations where such institutions have continued to receive utility service while running up large unpaid bills to the utility. While the utility can pursue a collection action for the unpaid balance, it is often difficult to collect a judgment because of the corporate structures of convalescent and nursing homes and the owner of the real estate and/or buildings, together with the encumbrances already on these facilities' assets. Unpaid invoice balances continue to increase during the collection process as the utility continues to supply service to the delinquent customer.

We support the Bill's reasonable solution to this collections problem. The Bill would allow convalescent and nursing homes to be subject to utility rent receiverships under Section 16-262f. The utilities would receive a remedy for nonpayment that would secure a method of payment while avoiding the termination of service. This approach should result in a more responsible payment of utility bills by nursing and convalescent homes, and will reduce the delinquent receivables and bad debt write-offs associated with these utility accounts.

Thank you for this opportunity and I will try to answer any questions you may have.